

AMENDED IN ASSEMBLY APRIL 21, 2009

CALIFORNIA LEGISLATURE—2009—10 REGULAR SESSION

ASSEMBLY BILL

No. 744

Introduced by Assembly Member Torrico

February 26, 2009

An act to ~~add Section 30914.6 to~~ amend Section 30913 of, and to add Sections 30914.6 and 30914.7 to, the Streets and Highways Code, relating to transportation, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 744, as amended, Torrico. Transportation:—~~Bay Area high-occupancy vehicle network; toll lanes; Express Lane Network.~~

Existing law specifies the respective powers and duties of the Bay Area Toll Authority and the Department of Transportation relative to the operation of the state-owned Bay Area toll bridges and the allocation of toll bridge revenues. Existing law provides for the department to designate certain lanes for the exclusive use of buses and high-occupancy vehicles (HOVs). *Existing law provides for various agencies, including the Sunol Smart Carpool Lane Joint Powers Authority, the Alameda County Congestion Management Agency, and the Santa Clara Valley Transportation Authority, to implement high-occupancy toll (HOT) lanes on state highways, which are high-occupancy vehicle lanes that may also be used by vehicles without the requisite number of occupants upon payment of a toll.*

This bill would authorize the Bay Area Toll Authority to acquire, construct, administer, and operate a Bay Area Express Lane Network on state highways within the 9 Bay Area counties pursuant to a development plan recommended by the Bay Area Express Lane Network Project Oversight Committee, which the authority would be required

to establish. The bill would authorize the authority to establish the fee structure for use of the express lanes and would require a public hearing in that regard. The bill would authorize the authority to determine the types of vehicles that may use the lanes. The bill would provide for agreements between the authority and the Department of Transportation and the Department of the California Highway Patrol. The bill would require revenues from the express lanes to be deposited in the Bay Area Express Lane Network Account, which the authority would be required to create. The bill would authorize the authority to issue revenue bonds for the express lane program. The bill would specify the use of revenues in the account, including the net revenues remaining after expenses and obligations, including revenue bond obligations, for the express lane program are satisfied. The bill would provide for certain payments by the authority to the Department of Transportation and the Department of the California Highway Patrol relative to their responsibilities with regard to the express lane program, and would continuously appropriate the amount of those payments to those agencies for those purposes. The bill would require the Sunol Smart Carpool Lane Joint Powers Authority, the Alameda County Congestion Management Agency, and the Santa Clara Valley Transportation Authority to enter into agreements with the Bay Area Toll Authority by January 1, 2011, to provide for the transfer of their rights and obligations relative to HOT lane projects to the Bay Area Toll Authority. The bill would enact other related provisions.

Existing law specifies certain major projects that may be undertaken with toll revenues from the Bay Area state-owned toll bridges.

This bill would provide that the Bay Area Express Lane Network is eligible for funding from bridge toll revenues under certain conditions.

Because this bill would mandate various actions to be undertaken by the Bay Area Toll Authority, it would thereby impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

~~This bill would authorize the authority to acquire, construct, administer, and operate a value pricing high-occupancy vehicle network program on state highways within the geographic jurisdiction of the Metropolitan Transportation Commission, as specified. The bill would authorize capital expenditures for this program to be funded from program revenues, revenue bonds, and revenue derived from tolls on state-owned toll bridges within the geographic jurisdiction of the commission. The bill would authorize the use of the high-occupancy vehicle lanes in the program by single-occupant vehicles for a fee, as specified.~~

Vote: majority. Appropriation: ~~no~~-yes. Fiscal committee: ~~no~~
yes. State-mandated local program: ~~no~~-yes.

The people of the State of California do enact as follows:

1 SECTION 1. The Legislature finds and declares all of the
2 following:
3 (a) It is the intent of the Legislature to ~~develop and implement~~
4 *authorize the Bay Area Toll Authority to acquire, construct,*
5 *administer, and operate a Bay Area Express-High Occupancy Toll*
6 *(HOT) Lane Network (network) with the following objectives:*
7 (1) ~~To more~~ *More* effectively manage the region's freeways in
8 order to provide higher vehicle and passenger throughput and to
9 reduce delays for those traveling within each travel corridor.
10 (2) ~~To provide~~ *Provide* an efficient, effective, consistent, and
11 seamless system for network customers.
12 (3) ~~To provide~~ *Provide* benefits to travelers within each corridor
13 commensurate with the revenues collected in that corridor,
14 including expanded travel options and funding to support
15 nonhighway options that enhance effectiveness and throughput.
16 (4) ~~To implement~~ *Expedite the implementation of* the network
17 using a rapid delivery approach ~~that takes advantage of that, to the~~
18 *greatest extent possible, relies upon* the existing highway
19 ~~right-of-way to deliver the network in an expedited timeframe and~~
20 *minimizes the environmental impact.*
21 (5) ~~To use toll revenue collected from the HOT network for the~~
22 ~~purposes of operating the network, maintaining HOT system~~
23 ~~equipment and software, providing transit services and~~
24 ~~improvements in the corridors, financing and constructing the HOT~~
25 ~~network, and providing other corridor improvements.~~

~~(b) It is the intent of the Legislature that the network be developed in a collaborative manner that includes the congestion management agencies, the Department of Transportation, the Department of the California Highway Patrol, and the Bay Area Toll Authority. This collaborative process should establish policies for implementation of the HOT network, including, but not limited to, phasing of HOV conversion and HOT construction, phasing of corridor investment plan elements, and occupancy and pricing policies for HOT network operations.~~

(5) Use network revenue to finance construction of the network and other corridor improvements, operate and maintain the network, and provide transit services and improvements in the network corridors.

(b) It is the intent of the Legislature that network policies be developed by the Bay Area Toll Authority in a collaborative manner that includes the Department of Transportation, the Department of the California Highway Patrol, and Bay Area congestion management agencies.

(c) It is the intent of the Legislature that the network utilize a corridor-based structure that recognizes commute sheds and geographic communities of interest as the most effective and user-responsive models for the ~~HOT~~ network facilities implementation.

(d) It is the intent of the Legislature that the network reinvest *net corridor* revenues generated in the corridor to provide benefits to all travelers in the corridor, including additional capital improvements on the freeway and parallel arterials, transit capital ~~operations that increase throughput capacity in the corridor and service improvements~~, and enhanced operations and management of the corridor.

(e) It is the intent of the Legislature that corridor investment plans, ~~developed by stakeholder agencies within the corridor~~, guide the use of toll revenues to capital and operating programs serving the corridor commensurate with the revenue generated by each corridor.

(f) It is the intent of the Legislature that, ~~the network, provide customers a simple, consistent,~~ *the network provide customers a consistent and efficient system that is easy to use, that is safe and simple*, and includes the following ~~elements~~ *elements*, but with

1 *variances and exceptions as may be necessary to commence*
2 *network operations in a timely and cost-effective manner:*

3 (1) Consistent geometric design.

4 (2) Consistent signage.

5 ~~(3) Safe and simple operations.~~

6 ~~(4)~~

7 (3) Common technology.

8 ~~(5)~~

9 (4) Common marketing, logo, and terminology.

10 ~~(g) It is the intent of the Legislature that in establishing the~~
11 ~~network a collaborative process determine the best financing~~
12 ~~mechanism, which could include using the state-owned toll bridge~~
13 ~~enterprise as a financing pledge to construct the network.~~

14 *SEC. 2. Section 30913 of the Streets and Highways Code is*
15 *amended to read:*

16 30913. (a) In addition to any other authorized expenditure of
17 toll bridge revenues, the following major projects may be funded
18 from toll revenues:

19 (1) Benicia-Martinez Bridge: Widening of the existing bridge.

20 (2) Benicia-Martinez Bridge: Construction of an additional span
21 parallel to the existing bridge.

22 (3) Carquinez Bridge: Replacement of the existing western span.

23 (4) Richmond-San Rafael Bridge: Major rehabilitation of the
24 bridge, and development of a new easterly approach between the
25 toll plaza and Route 80, near Pinole, known as the Richmond
26 Parkway.

27 (5) *The authority's Bay Area Express Lane Network authorized*
28 *by Section 30914.7, if and to the extent that funding for the network*
29 *is not available from other sources listed in subdivision (a) of*
30 *Section 30914.7 on terms and conditions acceptable to the*
31 *authority, and provided that the authority projects that its funding*
32 *of the network will not necessitate an increase in the amount of*
33 *tolls collected by the authority or preclude the authority from*
34 *timely performance of its contractual and statutory obligations.*

35 (b) The toll increase approved in 1988, which authorized a
36 uniform toll of one dollar (\$1) for two-axle vehicles on the bridges
37 and corresponding increases for multi-axle vehicles, resulted in
38 the following toll increases for two-axle vehicles on the bridges:

	1988 Increase (Two-axle vehicles)
1	
2 Bridge	
3 Antioch Bridge	\$0.50
4 Benicia-Martinez Bridge	.60
5 Carquinez Bridge	.60
6 Dumbarton Bridge	.25
7 Richmond-San Rafael Bridge	.00
8 San Francisco-Oakland Bay Bridge	.25
9 San Mateo-Hayward Bridge	.25

10
 11 Portions of the 1988 toll increase were dedicated to transit
 12 purposes, and these amounts shall be calculated as up to 2 percent
 13 of the revenue generated each year by the collection on all bridges
 14 of the base toll at the level established by the 1988 toll increase.
 15 The Metropolitan Transportation Commission shall allocate
 16 two-thirds of these amounts for transportation projects, other than
 17 those specified in Sections 30912 and 30913 and in subdivision
 18 (a) of Section 30914, which are designed to reduce vehicular traffic
 19 congestion and improve bridge operations on any bridge, including,
 20 but not limited to, bicycle facilities and for the planning,
 21 construction, operation, and acquisition of rapid water transit
 22 systems. The commission shall allocate the remaining one-third
 23 solely for the planning, construction, operation, and acquisition of
 24 rapid water transit systems. The plans for the projects may also be
 25 funded by these moneys. Funds made available for rapid water
 26 transit systems pursuant to this subdivision shall be allocated to
 27 the San Francisco Bay Area Water Emergency Transportation
 28 Authority beginning on the date specified in the adopted transition
 29 plan developed by the authority pursuant to subdivision (b) of
 30 Section 66540.32 of the Government Code.

31 (c) The department shall not include, in the plans for the new
 32 Benicia-Martinez Bridge, toll plazas, highways, or other facilities
 33 leading to or from the Benicia-Martinez Bridge, any construction
 34 that would result in the net loss of any wetland acreage.

35 (d) With respect to the Benicia-Martinez and Carquinez Bridges,
 36 the department shall consider the potential for rail transit as part
 37 of the plans for the new structures specified in paragraphs (2) and
 38 (3) of subdivision (a).

39 (e) At the time the first of the new bridges specified in
 40 paragraphs (2) and (3) of subdivision (a) is opened to the public,

1 there shall be a lane for the exclusive use of pedestrians and
2 bicycles available on at least, but not limited to, the original span
3 at Benicia or Carquinez, or the additional or replacement spans
4 planned for those bridges. The design of these bridges shall not
5 preclude the subsequent addition of a lane for the exclusive use of
6 pedestrians and bicycles.

7 *(f) Subject to the rights of the holders of any outstanding toll*
8 *bridge revenue bonds issued by the authority and the requirements*
9 *of any constituent instruments defining the rights of holders of*
10 *related obligations of the authority entered into pursuant to Section*
11 *5922 of the Government Code, the authority may pledge toll*
12 *revenues and other income derived from bridges referred to in*
13 *Section 30953 to secure bonds issued by it pursuant to Section*
14 *30914.7 if and to the extent the authority determines that funding*
15 *for the network authorized by Section 30914.7 is not available on*
16 *terms acceptable to the authority without such a pledge, and*
17 *provided that the authority projects that those obligations will not*
18 *necessitate an increase in the amount of tolls collected by the*
19 *authority or preclude the authority from timely performance of its*
20 *contractual and statutory obligations. The authority may increase*
21 *the amount of the tolls collected on the toll bridges described in*
22 *Section 30910 pursuant to Section 30887 thereafter if that action*
23 *is necessary to meet those obligations.*

24 SEC. 3. Section 30914.6 is added to the Streets and Highways
25 Code, to read:

26 30914.6. (a) The authority shall establish a Bay Area Express
27 Lane Network Project Oversight Committee (committee), which
28 shall consist of a representative of the authority (who shall serve
29 as chair of the committee), a representative of the department
30 named by its director, a representative of the Department of the
31 California Highway Patrol named by its director, and a staff
32 representative of each of the congestion management agencies
33 within the geographic jurisdiction of the commission that meets
34 at least one of the following conditions: (1) has committed
35 substantial funding associated with its county or city and county
36 to the development, final design, or construction of an express
37 lane corridor; (2) whose governing board has adopted a policy in
38 support of developing an express lane project along its travel
39 corridor that is consistent with the network provided for in Section
40 30914.7, or (3) whose county or city and county includes residents

1 *who comprise a significant share of the potential users of the*
2 *network in the group's travel corridors.*

3 *(b) The committee shall recommend to the authority an express*
4 *lane development plan for the network authorized in Section*
5 *30914.7 and policies for the network. The development plan shall*
6 *consist of the following two elements:*

7 *(1) A phasing plan for development of the network, including*
8 *a definition of the geographic boundaries of each of the express*
9 *lane corridors.*

10 *(2) An operational plan that shall recommend consistent*
11 *standards for the network, including, but not limited to the*
12 *following:*

13 *(A) Geometric design.*

14 *(B) Signage.*

15 *(C) Safe and simple operations.*

16 *(D) Technology.*

17 *(E) Shared marketing, logo, and terminology.*

18 *(F) Pricing policies and goals.*

19 *(G) Carpool occupancy requirements.*

20 *(H) Hours of operation.*

21 *(I) Maintenance.*

22 *(J) Enforcement.*

23 *(K) Tort liability.*

24 *While development of a consistent regional network shall be the*
25 *goal, the development plan may allow for variations in design or*
26 *other policies, as needed, to commence network operations in a*
27 *timely and cost-effective manner. In developing the phasing plan,*
28 *the committee shall first prioritize those corridors that can be*
29 *converted to express lanes from existing high-occupancy vehicle*
30 *lanes and that demonstrate the ability to generate sufficient fee*
31 *revenue to cover their financing, operating, and maintenance costs.*
32 *Elements of the plan that are under the authority of the department*
33 *or the Department of the California Highway Patrol shall be*
34 *approved by the department or the Department of the California*
35 *Highway Patrol, respectively, prior to being recommended to the*
36 *authority. The authority shall consider and accept or reject any*
37 *plan or revised plan recommended to it. If the authority rejects a*
38 *plan, it shall return the plan to the committee with its comments,*
39 *and the committee shall revise the plan and recommend it to the*
40 *authority. The process described in this subdivision, including and*

1 *through plan acceptance by the authority, shall not be delayed or*
2 *halted on account of any failure to receive or accept corridor*
3 *investment plans pursuant to subdivision (e) or (f).*

4 *(c) The committee shall establish corridor working groups as*
5 *subcommittees of the committee. The number of groups shall*
6 *correspond to the number of travel corridors within the geographic*
7 *jurisdiction of the commission as determined by the authority and*
8 *as adjusted, from time to time, by the authority to reflect travel*
9 *patterns after consultation with the affected group or groups and*
10 *the committee.*

11 *(d) Each group shall consist of a representative of the authority,*
12 *a representative of the department named by its director, a*
13 *representative of the Department of the California Highway Patrol*
14 *named by its director, and a staff representative of each congestion*
15 *management agency represented on the committee. Each group*
16 *shall establish its representation and voting arrangements to reflect*
17 *the commute shed patterns served by the corridor and the level of*
18 *county or city and county investment in the infrastructure forming*
19 *part of the corridor. Each group shall select its chair from among*
20 *the staff representatives of congestion management agencies*
21 *participating in the group.*

22 *(e) Each group shall submit a corridor investment plan to the*
23 *committee. The corridor investment plan shall consist of:*

24 *(1) Proposals and recommendations, including, but not limited*
25 *to, the following elements of the express lane development plan:*

26 *(A) Phased development of the segment of the network within*
27 *the corridor of the group.*

28 *(B) Carpool occupancy and fee policies.*

29 *(C) Local funding for the development of part or all of the*
30 *segment of the network within the corridor of the group, which*
31 *may include the use of bond or other financing backed by local*
32 *sources other than network fees.*

33 *(D) Proposed reimbursement of local agencies for prior*
34 *expenditures on elements of the network.*

35 *(E) Proposals as to which state, regional, or local agency or*
36 *other entity should perform work described in the corridor*
37 *investment plan, on a project-by-project basis, including, without*
38 *limitation, planning, environmental review, and design and*
39 *construction.*

1 (F) An examination of equity considerations, including, but not
2 limited to, the impact of the proposed segment of the network on
3 low-income travelers in the corridor; transit riders, carpoolers,
4 and the distribution of benefits by geographic area and steps to
5 minimize any inequities that are identified.

6 (2) Proposals as to projects and programs to be funded with
7 net corridor revenue as defined in subdivision (h) of Section
8 30914.7, giving priority to projects and programs that will reduce
9 vehicular emissions and provide cost-effective public transit
10 options. Corridor working groups may also prepare corridor
11 system management plans which include, but are not limited to,
12 express lane operations.

13 (f) The committee shall review each corridor investment plan
14 for consistency with the development plan and other corridor
15 investment plans and, after any resulting revisions by the group,
16 the committee shall submit each corridor investment plan that it
17 has approved to each of the congestion management agencies that
18 has a representative participating in the group for review and
19 approval. Each congestion management agency shall have 60 days
20 within which to approve a corridor investment plan submitted to
21 it. If the corridor investment plan is approved by all of the
22 congestion management agencies participating in the group, the
23 committee shall recommend the plan to the authority. If a corridor
24 investment plan is not approved by one or more congestion
25 management agencies to which it has been submitted, the group
26 and the committee shall use their best efforts to negotiate changes
27 in the plan that will result in approval by each congestion
28 management agency to which the plan is required to be submitted,
29 and the revised plan shall be submitted to the congestion
30 management agencies to which the initial plan was submitted.
31 Each congestion management agency shall have 60 days within
32 which to approve the revised plan submitted to it. At the end of the
33 60-day period, the revised plan shall be recommended by the
34 committee to the authority and a representative of each of the
35 congestion management agencies that rejected the revised plan
36 shall be afforded an opportunity to advise the authority of the
37 congestion management agency's reasons for not approving the
38 revised plan. The authority shall consider and accept or reject any
39 plan or revised plan recommended to it. If the authority rejects a
40 plan, it shall return the plan to the committee with its comments,

1 *and the committee and the group that prepared the plan shall*
2 *revise the plan and repeat the approval process, and the committee*
3 *shall recommend the resulting revised plan to the authority.*

4 *(g) The committee, and each group, is a local agency as that*
5 *term is defined in the Ralph M. Brown Act (Chapter 9 (commencing*
6 *with Section 54950) of Part 1 of Division 2 of Title 5 of the*
7 *Government Code). Members of the committee and members of*
8 *each group shall serve without compensation. The authority shall*
9 *develop a conflict-of-interest policy that shall be applicable to*
10 *each member of the committee and each member of a group.*

11 *SEC. 4. Section 30914.7 is added to the Streets and Highways*
12 *Code, to read:*

13 *30914.7. (a) Notwithstanding Sections 149 and 30800, and*
14 *Section 21655.5 of the Vehicle Code, the authority may acquire,*
15 *construct, administer, and operate an express lane network on*
16 *state highways within the geographic jurisdiction of the*
17 *commission. Expenditures for the network may be funded from the*
18 *following:*

19 *(1) Network revenues.*

20 *(2) Revenue bonds issued pursuant to this section.*

21 *(3) Contributions and loans from federal, state, or local*
22 *agencies, including congestion management agencies and the*
23 *authority.*

24 *(b) The authority pursuant to subdivision (c), may direct and*
25 *authorize the entry and use of the network or segments of the*
26 *network for a fee. The fee structure shall be established from time*
27 *to time by the authority. The authority shall make available for*
28 *public review and comment its proposed fee schedule and any*
29 *changes to the fee schedule at least 30 days prior to holding a*
30 *public hearing concerning the proposed fee schedule or changes*
31 *to the fee schedule and considering the adoption of the fee schedule*
32 *or changes to the fee schedule. The public hearing may be*
33 *scheduled during a public meeting of the authority.*

34 *(c) Notwithstanding any other law, vehicles that are certified*
35 *or authorized by the authority for entry into, and use of, the*
36 *network or segments of the network shall not be in violation of the*
37 *Vehicle Code or any other law because of that entry and use.*

38 *(d) The authority shall implement the development plan accepted*
39 *by it pursuant to subdivision (b) of Section 30914.6, except any*
40 *elements or features of the plan that the authority determines are*

1 *impracticable or will unduly delay commencement of operation*
2 *of the network.*

3 *(e) (1) The authority shall carry out the network program in*
4 *cooperation with the department pursuant to a cooperative*
5 *agreement that addresses all matters related to design,*
6 *construction, maintenance, and operation of state highway system*
7 *facilities in connection with the network program, including the*
8 *conversion of existing high-occupancy vehicle lanes to express*
9 *lanes forming part of the network. With the assistance of the*
10 *department, the authority shall establish appropriate traffic flow*
11 *guidelines for the purpose of ensuring optimal use of the network*
12 *without adversely affecting other traffic on the state highway*
13 *system. Implementation of the network program shall ensure that*
14 *Level of Service C, as measured by the most recent issue of the*
15 *Highway Capacity Manual, as adopted by the Transportation*
16 *Research Board, is maintained at all times in the network, except*
17 *that the cooperative agreement may permit Level of Service D*
18 *under terms and conditions specified in the cooperative agreement.*

19 *(2) Notwithstanding Section 13340 of the Government Code,*
20 *there is hereby continually appropriated to the department for*
21 *expenditure pursuant to the cooperative agreement all amounts*
22 *paid to the department by the authority for the network program,*
23 *including, without limitation, amounts paid as advances or to*
24 *reimburse the department for payments to contractors working on*
25 *the program.*

26 *(f) (1) Agreements between the authority, the department, and*
27 *the Department of the California Highway Patrol shall identify*
28 *the respective obligations and liabilities of those entities and assign*
29 *them responsibilities relating to the network program. The*
30 *agreements entered into pursuant to this section shall be consistent*
31 *with agreements between the department and the United States*
32 *Department of Transportation relating to programs of this nature.*
33 *The agreements shall include clear and concise procedures for*
34 *enforcement by the Department of the California Highway Patrol*
35 *of laws prohibiting the unauthorized use of the network. The*
36 *agreements shall provide for reimbursement of state agencies,*
37 *from revenues generated by the network program, or other funding*
38 *sources that are not otherwise available to state agencies for*
39 *transportation-related projects, for costs incurred in connection*
40 *with the implementation or operation of the network program.*

1 (2) Notwithstanding Section 13340 of the Government Code,
2 there is hereby continually appropriated to the Department of the
3 California Highway Patrol for expenditure pursuant to agreements
4 authorized by paragraph (1) all amounts paid to the Department
5 of the California Highway Patrol for the network program,
6 including, without limitation, amounts paid as advances.

7 (g) All revenue generated from the network program shall be
8 deposited in the authority's Bay Area Express Lane Network
9 Account, which the authority shall create. Funds in the account
10 shall be available to the authority the following purposes:

11 (1) To pay or provide for debt service on revenue bonds issued
12 pursuant to this section, to pay any related obligations of the
13 authority entered into pursuant to Section 5922 of the Government
14 Code, and to comply with the covenants and other requirements
15 of the constituent instruments defining the rights of holders of
16 those revenue bonds and related obligations.

17 (2) To repay loans pursuant to paragraph (3) of subdivision
18 (a), including financing costs.

19 (3) To pay or provide for expenses related to the acquisition,
20 operation including collection and enforcement, maintenance,
21 construction, and administration of the network program.

22 (h) Revenue remaining after payment or provision for payment
23 of the obligations and other expenses referred to in (1) to (3),
24 inclusive, of subdivision (g) shall constitute "net corridor revenue."
25 Up to 5 percent of net corridor revenue may be retained by the
26 authority as a reserve to pay, and applied to pay, obligations and
27 other expenses referred to in paragraphs (1) to (3), inclusive, of
28 subdivision (g). All remaining net corridor revenue shall be
29 allocated by the authority to those corridors provided for in
30 subdivision (c) of Section 30914.6 in proportion to the net corridor
31 revenue generated by each corridor. The net corridor revenue so
32 allocated to a corridor shall be expended by the authority to
33 implement the projects and programs to be funded with net corridor
34 revenue in accordance with the corridor investment plan for that
35 corridor accepted by the authority pursuant to subdivision (f) of
36 Section 30914.6. The authority may disburse net corridor revenue
37 to recipients approved by the authority, including congestion
38 management agencies, on any basis that it determines to be
39 reasonable and timely, including, without limitation, advances,
40 pay-as-you-go, or reimbursement methods.

1 (i) The authority shall control and maintain the Bay Area
2 Express Lane Network Account and those subaccounts as it deems
3 necessary and appropriate to document revenues and expenditures
4 in accordance with generally accepted accounting principles.

5 (j) The authority and the Sunol Smart Carpool Lane Joint
6 Powers Authority shall enter into an agreement within one year
7 after the effective date of this act providing for the transfer to the
8 authority of all of the rights and obligations of the Sunol Smart
9 Carpool Lane Joint Powers Authority under Section 149.5. The
10 authority shall succeed to all of the rights and obligations of the
11 Sunol Smart Carpool Lane Joint Powers Authority under Section
12 149.5 on the earlier of the date specified in the agreement, or one
13 year after the date when the project authorized by Section 149.5
14 commences commercial operation.

15 (k) The authority and the Alameda County Congestion
16 Management Agency shall enter into an agreement within one
17 year after the effective date of this act providing for the transfer
18 to the authority of all of the rights and obligations of the Alameda
19 County Congestion Management Agency under Section 149.5. The
20 authority shall succeed to all of the rights and obligations of the
21 Alameda County Congestion Management Agency under Section
22 149.5 on the earlier of the date specified in the agreement, or one
23 year after the date when the project authorized by Section 149.5
24 commences commercial operation.

25 (l) The authority and the Santa Clara Valley Transportation
26 Authority shall enter into an agreement within one year after the
27 effective date of this act providing for the transfer to the authority
28 of all of the rights and obligations of the Santa Clara Valley
29 Transportation Authority under Section 149.6. The authority shall
30 succeed to all of the rights and obligations of the Santa Clara
31 Valley Transportation Authority under Section 149.6 on the earlier
32 of the date specified in the agreement, or one year after the Santa
33 Clara Valley Transportation Authority commences commercial
34 operation of the first of the projects authorized by Section 149.6.

35 (m) (1) The authority may issue bonds and notes (collectively
36 called bonds) payable from and secured by a pledge of the
37 authority of all or any part of the revenue of the network program
38 to finance capital expenditures for the network program, including
39 construction and construction-related expenditures, and sell those
40 bonds at public or private sale in the form and on the terms and

1 conditions as the governing board of the authority shall approve.
2 The authority may pledge all or any part of the revenue of the
3 network program to secure those bonds and any related obligations
4 of the authority entered into pursuant to Section 5922 of the
5 Government Code. The authority may issue bonds to refund or
6 purchase or otherwise acquire any bonds on terms and conditions
7 as the governing board of the authority shall approve.

8 (2) Subject to the rights of the holders of any bonds issued
9 pursuant to paragraph (1) and the rights of the holders of any
10 constituent instruments defining the rights of holders of related
11 obligations of the authority entered into pursuant to Section 5922
12 of the Government Code, the authority may pledge revenue of the
13 network program to secure bonds issued by it pursuant to Section
14 30961 if and to the extent it determines that bonds issued by it
15 pursuant to Section 30961 require such a pledge in order to be
16 sold by the authority on terms acceptable to the authority. The
17 authority may increase the amount of the fees provided for in
18 subdivision (b) if necessary to meet those obligations.

19 (3) Any bond issued pursuant to this section shall contain on
20 its face a statement to the following effect:

21
22 “Neither the full faith and credit nor the taxing power of the
23 State of California or the Bay Area Toll Authority is pledged to
24 the payment of principal of, or the interest on, this bond.”
25

26 (4) Bonds issued pursuant to this section are legal investments
27 for all trust funds, the funds of all insurance companies, banks,
28 trust companies, executors, administrators, trustees, and other
29 fiduciaries. The bonds are securities that may legally be deposited
30 with, and received by, any state or municipal officer, agency, or
31 political subdivision of the state for any purpose for which the
32 deposit of bonds or obligations of the state is now, or may hereafter
33 be, authorized by law, including deposits to secure public funds.

34 (5) Interest earned on any bonds issued pursuant to this section
35 shall at all times be free from state personal income tax and
36 corporate income tax.

37 (6) The state hereby pledges to and agrees with the holders of
38 bonds issued pursuant to this section and the holders of related
39 obligations of the authority entered into pursuant to Section 5922
40 of the Government Code.

1 (A) The state will not authorize fee-based publicly or privately
2 owned express lanes or high occupancy vehicle lanes within the
3 geographic jurisdiction of the commission other than the express
4 lanes provided for in this section.

5 (B) The state will not limit, alter, or restrict the rights hereby
6 vested in the authority to fulfill each pledge of revenues and any
7 other terms of any agreement made with or for the benefit of those
8 holders of bonds and related obligations or in any way impair the
9 rights or remedies of the holders of those bonds and related
10 obligations.

11 SEC. 5. If the Commission on State Mandates determines that
12 this act contains costs mandated by the state, reimbursement to
13 local agencies and school districts for those costs shall be made
14 pursuant to Part 7 (commencing with Section 17500) of Division
15 4 of Title 2 of the Government Code.

16 SEC. 2. ~~Section 30914.6 is added to the Streets and Highways~~
17 ~~Code, to read:~~

18 ~~30914.6.—(a) Notwithstanding Sections 149 and 30800, and~~
19 ~~Section 21655.5 of the Vehicle Code, the authority may acquire,~~
20 ~~construct, administer, and operate a value pricing high-occupancy~~
21 ~~vehicle network program on state highways within the geographic~~
22 ~~jurisdiction of the commission that the commission has determined~~
23 ~~will reduce congestion on or make improvements to travel in the~~
24 ~~toll bridge and transportation network. Capital expenditures for~~
25 ~~the program may be funded from the following:~~

26 ~~(1) Program revenues.~~

27 ~~(2) Revenue bonds issued pursuant to this section.~~

28 ~~(3) To the extent the authority elects to do so, from revenue~~
29 ~~derived from tolls on bridges named in Section 30910 and revenue~~
30 ~~bonds issued pursuant to Section 30961.~~

31 ~~(b) The program, under the circumstances described in~~
32 ~~subdivision (c), may direct and authorize the entry and use of the~~
33 ~~high-occupancy vehicle lanes in the corridors in the region~~
34 ~~identified in subdivision (a) by single-occupant vehicles for a fee.~~
35 ~~The fee structure shall be established from time to time by the~~
36 ~~authority.~~

37 ~~(c) Single-occupant vehicles that are certified or authorized by~~
38 ~~the authority for entry into, and use of, the high-occupancy vehicle~~
39 ~~lanes identified in subdivision (a) are exempt from Section 21655.5~~

- 1 of the Vehicle Code, and the driver shall not be in violation of the
- 2 Vehicle Code because of that entry and use.

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